

## Message Text

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PAGE 01 ISLAMA 00499 162027Z

42

ACTION EB-07

INFO OCT-01 NEA-10 ISO-00 EA-07 COME-00 SSO-00 FEAE-00

OES-03 /028 W

----- 005209

O R 160827Z JAN 76

FM AMEMBASSY ISLAMABAD

TO AMEMBASSY MANILA IMMEDIATE

INFO AMCONSUL KARACHI

SECSTATE WASHDC 3670

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E.O. 11652: N/A

TAGS: ENRG, PK,

SUBJECT: SUMITOMO/GE BID FOR KORANGI POWER STATION

1. GE AND SUMITOMO REPS, JOHN MIOLA AND MR. UJITA, CALLED ON EMBASSY JANUARY 15 (AND DAY BEFORE ON CONGEN KARACHI) EXPRESSING CONCERN THAT RIVAL BIDDER FIAT MAY BE ABLE TO SECURE ROUGHLY \$20 MILLION ORDER FOR THIS ABD-FINANCED PLANT LARGELY ON BASIS OF THE FIAT PLANT'S CAPABILITY TO BURN NAPTHA FUEL. WHILE THIS CAPABILITY WOULD BE ONLY A BACK-UP SYSTEM IN EVENT MAIN NATURAL GAS FUEL SUPPLY IS INTERRUPTED, SUMITOMO/GE REPS SAY THAT THE GOP MINISTRY OF FUEL, POWER AND NATURAL RESOURCES LEANS TOWARDS FIAT BID BECAUSE OF NAPTHA ANGLE. ALTERNATIVE SYSTEM RECOMMENDED BY ALL OTHER BIDDERS IS FOR USING LIGHT DIESEL OIL AS BACK-UP FUEL. ADVANTAGE OF NAPTHA IS THAT PAKISTAN HAS SURPLUS OF THIS WHILE DIESEL FUEL WOULD HAVE TO BE IMPORTED.

2. SUMITOMO/GE REPS CLAIM THAT IN DISCUSSION IN MANILA ON DECEMBER 12 OR 13 WITH ADB REPS PAPP AND BARREL, THE SUMITOMO/GE TEAM OF RUDOLPH AND MORINOKA WERE TOLD THAT ADB WOULD FIND NAPTHA BACK-UP SYSTEM UNACCEPTABLE. ADB REPORTEDLY AGREED WITH SUMITOMO/GE THAT NAPTHA SYSTEM IS TECHNICALLY TOO DANGEROUS PARTICULARLY FOR HOT KARACHI

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PAGE 02 ISLAMA 00499 162027Z

CLIMATE, AND ALSO IS UNECONOMICAL.

3. REQUEST: GE HAS REQUESTED EMBASSY SUPPORT ITS CASE  
BEFORE GOP FUELS MINISTRY CITING PRINCIPALLY THE NAPTHA  
DANGER ARGUMENT. IF ALLEGATION OF ADB OPINION IS CORRECT,  
WE WOULD LIKE TO BE ABLE USE IT. PLEASE ADVISE ASAP  
SINCE GOP IS SUPPOSED MAKE DETERMINATION ON THIS HOTLY  
CONTESTED CASE SOMETIME NEXT WEEK.  
BYROADE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ELECTRIC POWER PLANTS, PROPOSALS (BID)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 JAN 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976ISLAMA00499  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760017-0544  
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**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** morefirh  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 07 JUN 2004  
**Review Event:**  
**Review Exemptions:** n/a  
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**Status:** NATIVE  
**Subject:** SUMITOMO/GE BID FOR KORANGI POWER STATION  
**TAGS:** ENRG, PK  
**To:** MANILA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006